



2018

ADOBE CORPORATE SOCIAL RESPONSIBILITY REPORT

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A Message from Our CEO

Since our founding, Adobe's mission has been to change the world through digital experiences. We believe as strongly today, as we did then, that powerful experiences change the way we think, interact, entertain, work and improve the world around us. Equally enduring as our mission are Adobe's values: genuine, exceptional, innovative, involved. Our mission and these values guide our company – and our more than 20,000 global employees – in how we run our business, and in the positive impact we strive to make for our customers, and in the communities where we live and work.

Creativity

We believe everyone has a story to tell. So we aim to empower everyone to express their creativity and tell their stories – from the world's largest brands, to students, creative professionals and emerging artists. In 2018, Adobe donated \$30M in creative software to nonprofit organizations around the world. More than seven million students now have access to Adobe Spark – our mobile application for easily creating beautiful images, videos, and web pages. Through our youth creativity and youth coding initiatives, we doubled the number of young people we have reached to 150,000 this year.

Community

Our commitment to employees and our community is unwavering. In October 2018, we achieved pay parity between men and women employed at Adobe, across nearly 40 countries. We're committed to fostering a workplace that is diverse and inclusive, where everyone feels valued and is empowered to do their best work. I am proud that we've taken this important step toward fair and inclusive recognition of all our employees' contributions.

Adobe employees continue to give of their time and their talents, to create positive change in our communities,

through volunteering, non-profit board service, and mentoring – as well as through monetary donations to causes they care about, matched by Adobe. Our total community investment exceeded \$50M this year and our communities are strengthened by the involvement and passion of our employees.

Sustainability

Adobe is committed to conservation and sustainability – running our business in a manner that reduces our impact on the environment. From our workspaces through our digital supply chain, we believe operational excellence and collaboration with our customers and suppliers is the way forward in meeting our RE100 goals and Science-Based Targets. This focus paved the way in 2018 to sign the first-ever renewable energy collaboration deal, procuring wind energy that will match our total California electricity use. We also partner with our digital supply chain to encourage them to adopt renewable energy goals, so that we can accelerate the transition to clean energy throughout our footprint. Through this collaboration, we can achieve much more than we could alone. For the third consecutive year Adobe was one of only six software companies globally to be named to the Dow Jones Sustainability Index, and we were named to CDP's A List, which recognizes corporate pioneers for action on climate change.

I invite you to learn more about our corporate social responsibility efforts in this year's report.

Sincerely,



Shantanu Narayen
Chairman, President & CEO, Adobe Inc.



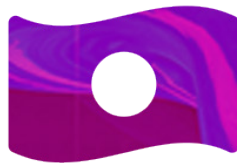
GOVERNANCE



\$9.03B in Revenue
(24% Increase from FY17)



Acquisitions:
Marketo + Magento



\$0 Contributed to
Political Parties

EMPLOYEE



19% Workforce Growth



1:1 Pay Parity Achieved
October 2018



19 years on
Fortune's
100 Best
Companies
to Work For

COMMUNITY



\$50.7M Invested
in our Communities



65% Employee
Community Engagement



\$8.9M in Matching Grants &
Volunteers Hours Matched

SUSTAINABILITY



70%+ Employees in
LEED Certified Workspaces
6 Years Straight

MEMBER OF
**Dow Jones
Sustainability Indices**
In Collaboration with RobecoSAM



25% Decrease in
CO2e per Employee

CREATIVITY

"Arts education changed the entire trajectory of my life. The ability to own your narrative and story and tell it to others, has changed policies, perspectives and lives, including my own."

- Lee Mokobe, South Africa
2018 ADOBE CREATIVITY SCHOLARSHIP RECIPIENT

Creativity Scholars

The Adobe Creativity Scholarships program recognizes the next generation of creatives and propels the future careers of those who create. The scholarships provide college or university education tuition to young people who are pursuing study in a creative field or are using creativity as a force for positive social impact. Since the program's launch in 2013, the Adobe Creativity Scholarships program has supported 137 creative students from 27 different countries.

[Read more >](#)

CREATIVITY

**75
THOUSAND**

youth reached to build the talent pipeline.

Youth Coding Initiative

In 2018, we invested \$2.25 million in our Youth Coding Initiative, reaching more than 75,000 youth through our partner organizations Girls Who Code and Technovation. One recent highlight from these programs was an Adobe employee-mentored group of girls who won a gold medal at the Technovation World Summit for their app to address e-waste in India.

[Read more >](#)

COMMUNITY

80%

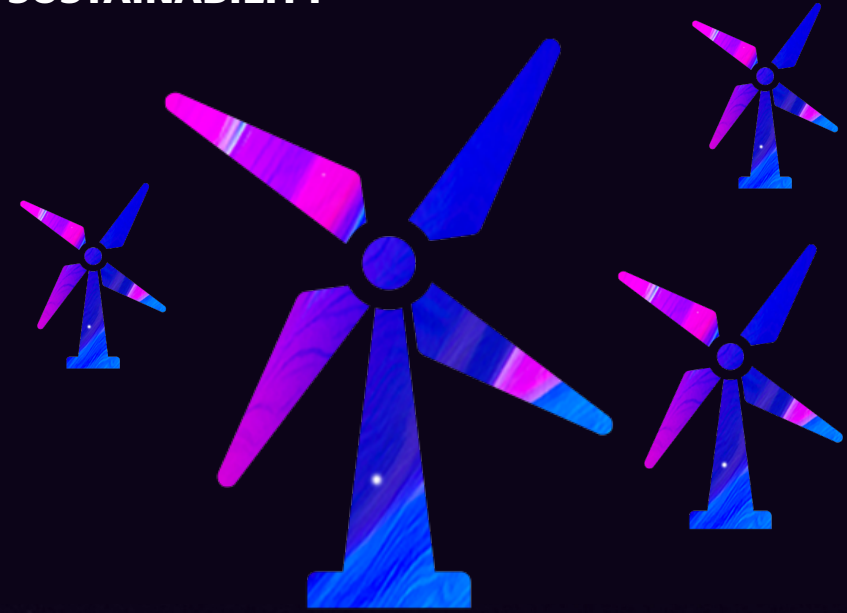
of scholarship recipients intern at Adobe, and over 75% go on to a full-time role at Adobe or elsewhere.

Digital Academy

The Adobe Digital Academy works closely with local nonprofits to provide apprenticeships and living stipends for career switchers from nontraditional backgrounds to attend a 12-week web development or User Experience Design bootcamp. After the bootcamp, qualified candidates go on to an internship at Adobe, with the ultimate goal of a full-time role at Adobe or another tech company. Digital Academy is offered in the Bay Area, Austin, TX and Salt Lake City, UT.

[Read Amy's Story >](#)

SUSTAINABILITY



The Power of Collaboration

Operational excellence and collaboration with our customers and suppliers is the way forward in meeting our RE100 goals and Science-Based Targets. In 2018, Adobe signed the first-ever renewable energy collaboration deal, procuring 10 MW of wind energy that will match our total California electricity use.

[Watch the Video >](#)

PERFORMANCE INDICATORS

Governance

REFERENCE INDICES	KEY PERFORMANCE INDICATOR	
GRI 102-1	Name of organization	Adobe Inc.
GRI 102-3	Location of organization's headquarters	San Jose, CA
GRI 102-2	Primary brands, products, & services	Creative Cloud - Photoshop and Lightroom, Illustrator, InDesign, Adobe Stock, Adobe XD, Adobe Premiere Pro and Adobe Premiere Rush, After Effects, Adobe Dimension, Adobe Fonts, Behance, Adobe Spark; Acrobat and Adobe Document Cloud; Adobe Experience Cloud - Adobe Advertising Cloud - Adobe Advertising Cloud Demand-Side Platform (DSP), Adobe Advertising Cloud Search, Adobe Advertising Cloud TV, Adobe Advertising Cloud Creative; Adobe Analytics Cloud - Adobe Analytics, Adobe Audience Manager; Adobe Marketing Cloud - Adobe Experience Manager, Adobe Campaign, Adobe Target, Marketo Engagement Platform, Adobe Primetime; Magento Commerce Cloud

REFERENCE INDICES	KEY PERFORMANCE INDICATOR	2016*	2017*	2018
GRI 102-7	Total Revenue	\$5.854B	\$7.302B	\$9.030B
	% of Total Revenue			
	Americas	58%	58%	57%
	EMEA	28%	27%	28%
	APAC	14%	15%	15%
	Net Income	\$1.169B	\$1.694B	\$2.591B
	% Effective Tax Rate	19%	21%	7%
	Total Final Shareholder Resolutions	0	0	0
GRI 102-22	# of Executive and Non-Executive Members of the Board of Directors	10	10	10
GRI 102-22	% Independent Board Members	90%	90%	90%
GRI 102-23	Separate CEO and Chair Roles	Yes	No	No
	% Female Board Members	20%	20%	20%
	Acquisitions	N/A	TubeMogul	Marketo + Magento
	# of patents held	373	345	363

*Prior year Adobe Corporate Social Responsibility Reports are available [here](#).

PERFORMANCE INDICATORS

Society

REFERENCE INDICES	KEY PERFORMANCE INDICATOR	2016	2017	2018
Employees*				
GRI 102-7	Global Employees	15,706	17,973	21,357
SASB TC-SI-330a.1	% Employees in U.S.	47%	48%	51%
SASB TC-SI-330a.1	% Employees outside U.S.	53%	52%	49%
SASB TC-SI-330a.3, GRI 102-8	% Female Employees	29%	31%	32%
SASB TC-SI-330a.3, GRI 102-8	% Male Employees	71%	69%	68%
SASB TC-SI-330a.3, GRI 102-8	% Female People Managers	25%	27%	28%
SASB TC-SI-330a.3, GRI 102-8	% Male People Managers	75%	73%	72%
SASB TC-SI-330a.3, GRI 102-8	% Female Leaders (Director +)	24%	23%	24%
SASB TC-SI-330a.3, GRI 102-8	% Male Leaders (Director +)	76%	77%	77%
SASB TC-SI-330a.3, GRI 102-8	% Females in Tech Roles	20%	22%	24%
SASB TC-SI-330a.3, GRI 102-8	% Males in Tech Roles	80%	78%	76%
Ethnicity - U.S. Only**				
SASB TC-SI-330a.3	% White	66%	63%	61%
SASB TC-SI-330a.3	% Asian or Pacific Islander	26%	28%	30%
SASB TC-SI-330a.3	% Hispanic	5%	5%	5%
SASB TC-SI-330a.3	% Black	2%	2%	2%
SASB TC-SI-330a.3	% Two or More Races	1%	2%	2%
SASB TC-SI-330a.3	% Native American/Alaska Native	<1%	<1%	<1%

*Data for Global Employees and geographical location of employees is as reported in Adobe's 2018 10-K. Gender data reflects employees as of November 30, 2018. **Note that 2016 ethnicity data reflects FY data, 2017 ethnicity data reflects EEO-1 data, and 2018 ethnicity data reflects FY data. Moving forward we will report FY data each year and also have our EEO-1 report available for reference.

PERFORMANCE INDICATORS

Society (continued)

REFERENCE INDICES	KEY PERFORMANCE INDICATOR	2016	2017	2018
	Talent Development and Health & Safety			
	Net Employment Creation as a % of Total Employees	13%	14%	19%
SASB TC-SI-330a.2	Satisfaction level of employees	87%	89%	88%
	% Open positions filled by internal candidates	21%	23%	30%
GRI 403-2	# of Employee fatalities resulting from operational accidents per 100,000	0	0	0
GRI 403-2	# Contractor fatalities resulting from operational accidents per 100,000	0	0	0
GRI 403-2	# Injuries and illnesses per 200,000 hours worked	0	0	0
	# of Incidents of non-compliance (health & safety of products, incidents resulting in a fine or penalty, incidents resulting in a warning)	0	0	0
	Public Policy			
	Total financial contributions to political parties, politicians, and PACs	\$0	\$0	\$0
GRI 415-1	Lobbying and Political Expenses	\$1.3M	\$1.1M	\$920K Senate - House

Community

REFERENCE INDICES	KEY PERFORMANCE INDICATOR	2016	2017	2018
GRI 201-1	Total community investment (Cash & In-Kind)	\$379M	\$391M	\$50.7M
	Value of Talent Contributions through Pro Bono projects (US\$)	\$1,220,138	\$2,865,600	\$1,132,838
	Employee Participation Percentage	N/A	63%	65%
	Number of Youth Impacted through CSR Programs	N/A	73,450	147,749
	Organizations Served	N/A	42,218	36,768
	Number of Hours Volunteered	N/A	113,711	120,641
	Company match of employee financial contributions & volunteer hours (US\$)	\$6,234,883	\$7,844,272	\$8,864,593

PERFORMANCE INDICATORS

Sustainability

REFERENCE INDICES	KEY PERFORMANCE INDICATOR	2016	2017	2018
	Climate			
	Total Space Worldwide (Sq. Ft.)	3,617,690	3,824,412	4,548,898
	% LEED/ Green-Certified Buildings [owned and leased]	77%	76%	65%
	% Employees in LEED/ Green-Certified Workspaces	78%	73%	72%
	% of Total Owned and Managed	67%	65%	57%
	% of Total Leased	33%	35%	43%
	% of Total in U.S.	58%	58%	61%
	% of Total in India	24%	25%	21%
	% of Total in Rest of World	18%	17%	18%
	CDP Score	A-	A	A
GRI 302-1	Total Energy Consumption [MWh]	212,931	237,959	223,248
SASB TC-SI-130a.1	Total Energy Consumption [GJ]	766,552	853,042	803,693
SASB TC-SI-130a.1	% of total energy consumption that is grid electricity	N/A	N/A	70.8%
SASB TC-SI-130a.1	% of total energy consumption that is renewable energy	N/A	N/A	6.6%
	% of total electricity consumption that is renewable electricity	N/A	N/A	9.4%
	Global Grid Electricity purchased and consumed [MWh]	150,380	156,479	157,958
	% electricity purchased and consumed from collocated data centers	33%	26%	25%
	Global fuel purchased and consumed (natural gas and diesel/gas oil) [MWh]	62,551	75,226	66,100
	Fuel cell electricity produced [MWh]	10,678	11,745	11,337
	% Fuel Cell Electricity Produced On-Site	7.1%	9.9%	7.2%
	% of Employees Driving Registered EVs to Work (San Jose, San Francisco, Seattle, Lehi)	N/A	15%	18%
	Renewable energy goal established	100% RE by 2035	100% RE by 2035	100% RE by 2035

PERFORMANCE INDICATORS

Sustainability (continued)

REFERENCE INDICES	KEY PERFORMANCE INDICATOR	2016	2017	2018
GRI 305-1	Scope 1 GHG Emissions [tonnes CO2e]	11,082	11,361*	12,119
	Scope 1 GHG Emissions from combustion of natural gas and diesel [tonnes CO2e]	10,921	14,412	12,103
	Scope 1 GHG Emissions from Natural gas used in fuel cells [tonnes CO2e]	4,541	4,794	4,625
GRI 102-56	Verification status of reported Scope 1 emissions	3rd party verified	3rd party verified	3rd party verified
GRI 305-2	Scope 2 GHG Emissions, location-based [tonnes CO2e]	61,875	66,268	58,874
	Scope 2 GHG Emissions, market-based [tonnes CO2e]	58,473	59,184	47,871
	Scope 2 GHG Emissions, location-based from colocated data centers	24,413	18,429	16,271
GRI 102-56	Verification status of reported Scope 2 emissions	3rd party verified	3rd party verified	3rd party verified
GRI 305-3	Scope 3 GHG Emissions [tonnes CO2e]	36,767	43,258	51,738
	Scope 3 GHG Emissions from employee travel [tonnes CO2e]	27,763	32,512	40,498
	Scope 3 GHG Emissions from employee commuting [tonnes CO2e]	9,007	10,746	10,603
GRI 102-56	Verification status of reported Scope 3 emissions	3rd party verified	3rd party verified	3rd party verified
GRI 305-5	Emissions reductions from Energy Efficiency Projects [tonnes CO2e]	389	420	492
GRI 305-6	Emissions of Ozone-Depleting Substances [tonnes]	151	57	6.2
GRI 305-4	Normalized Carbon Intensity [tonnes CO2e (Scope 1+2 location-based)/ FTE]	4.6	4.5	3.3
GRI 303-1, SASB TC-SI-130a.2	Total Water Consumption - U.S. & India Owned and/or Managed Facilities [Cubic Meters]	249,636	279,000	251,136
SASB TC-SI-130a.2	% of water recycled	N/A	N/A	1.6%
SASB TC-SI-130a.2	% of water in regions with High or Extremely High Baseline Water Stress	N/A	N/A	80% High Risk: 37%, Extremely High Risk: 43%

*Due to improvements in our data accuracy, our FY17 Scope 1 emissions are now 11,361 MTCO2e compared to previously reported 14,477 MTCO2e.

PERFORMANCE INDICATORS

Sustainability (continued)

REFERENCE INDICES	KEY PERFORMANCE INDICATOR	2016	2017	2018
	Waste			
GRI 306-2	Waste diverted from global owned and/or managed facilities [short tons]	1,111	1,669	1,493
GRI 306-2	Waste diversion/Recycling rate (% of total)	90%	92%	91%
GRI 307-1	Environmental fines, penalties and settlements	\$0	\$0	\$0
	Data Centers			
	Scope 2 location-based GHG emissions from Adobe owned data center in Hillsboro, OR [metric tonnes CO2e]	9,090	12,326	11,365
	Electricity purchased and consumed from Adobe owned data center in Hillsboro, OR [MWh]	21,939	29,749	38,230
	Scope 2 location-based GHG emissions from collocated data centers [metric tonnes CO2e]	20,966	18,429	16,547
	Electricity purchased and consumed from collocated data centers [MWh]	49,833	40,703	38,767
SASB TC-SI-130a.3	Description of integration of environmental considerations to strategic planning for data center needs			Data Center Management
	Suppliers	2016	2017	2018
	% suppliers required to comply with RBA	100%	100%	100%
	RBA validation audits of turn-key suppliers	None Required	None Required	None Required
GRI 412-3	% significant suppliers that have undergone human rights screenings	100%	100%	100%
GRI 407-1	# incidents related to freedom of association	0	0	0
GRI 408-1	# Incidents related to child labor	0	0	0
GRI 409-1	# Incidents related to forced labor	0	0	0

Policies

REFERENCE INDICES	KEY PERFORMANCE INDICATOR	2018
Governance		
GRI 102-15	Evaluation of risks of taxation on future company value creation	Adobe Form 10-K
GRI 102-16	Statement on company's main challenges	Adobe Form 10-K
	Tax Policy	Adobe Tax Policy
GRI 102-43	Shareholder Engagement Procedures	Adobe 2019 Proxy Statement
	Restated Certificate of Incorporation	Certificate of Incorporation
	Independent Audit Committee	Adobe 2019 Proxy Statement
	Independent Compensation Committee	Adobe 2019 Proxy Statement
GRI 102-24	Independent Nomination Committee	Adobe 2019 Proxy Statement
GRI 102-24	Independent Corporate Governance Committee	Adobe 2019 Proxy Statement
GRI 102-35	Board Remuneration Disclosure	Adobe 2019 Proxy Statement
GRI 102-35	External reporting of compensation of board of directors & senior executives	Adobe 2019 Proxy Statement
GRI 102-36	CEO compensation linked to total shareholder return (TSR) or similar	Adobe 2019 Proxy Statement
GRI 102-37	Shareholders have right to vote on the remuneration of executives	Adobe 2019 Proxy Statement
	% Average overall attendance of board meetings	Adobe 2019 Proxy Statement
	Audit, audit related and non-audited related fees paid	Adobe 2019 Proxy Statement
GRI 102-36	Executive stock ownership guidelines promotes long-term performance perspective	Adobe Corporate Governance Guidelines
	Clawback Policy	Adobe 2019 Proxy Statement
	Law Enforcement Requests	Law Enforcement Requests
Data Security		
SASB TC-SI-230a.2	Adobe Data Security	Adobe's Approach to Managing Data Security Risk

PERFORMANCE INDICATORS

Policies (continued)

REFERENCE INDICES	KEY PERFORMANCE INDICATOR	2018
Society—Employees		
	Top Employer Recognition Lists	Adobe Awards
GRI 401-2	Benefits Programs	Health/Wellbeing - Financial - Time off
GRI 401-2	Education Reimbursement Program	Adobe Benefits
GRI 205-1	Anti-Discrimination Policy	Adobe Code of Business Conduct
	Employee Engagement activities	Adobe Life
GRI 102-17	Adobe Help Line (confidential means of reporting internal & external concerns)	Adobe Help Line - Employees can call 6-HELP and all can email ERC@adobe.com
GRI 102-17	Adobe Help Line (confidential means of escalation, whistleblowing mechanisms & hotline)	Compliance Office - email integrity@adobe.com or call 1-800-300-1026
Public Policy		
	Total financial contributions to political parties, politicians and political action committees	Adobe Integrity
GRI 102-16	Political Involvement Policy	Adobe Public Policy and Government Relations Policy
GRI 102-16	Privacy Policy	Adobe Privacy Policy
GRI 102-16	Adobe Trust Center -- operational health, security, privacy and compliance of Adobe's cloud services	Trust Center
GRI 205-2	Antitrust Policy	Adobe Code of Business Conduct
GRI 205-2	Measures taken to ensure antitrust compliance	Adobe Integrity
GRI 205-2	Whistleblower Programs	Adobe Code of Business Conduct
GRI 205-2	3rd Party Anti-Corruption risk assessment procedures	Adobe Global Anti-Corruption Policy & Procedures
GRI 205-1	Policy to address corruption in high risk areas	Adobe Global Anti-Corruption Policy & Procedures
Community		
	Access for disabled persons	Adobe Accessibility
GRI 102-16	Company philanthropic guidelines	Adobe Corporate Responsibility Home Page

PERFORMANCE INDICATORS

Policies (continued)

REFERENCE INDICES	KEY PERFORMANCE INDICATOR	2018
Education		
GRI 203-2	Digital inclusion initiatives	Adobe Education Initiatives
Sustainability—Climate		
	CDP Report	CDP
GRI 102-35	Incentives for the management of climate change issues	CDP
GRI 201-2	Climate change risks & opportunities	CDP
GRI 302-5	Company products that support climate change mitigation	CDP
Sustainability—Waste		
	Adopted 3rd Party Supply Chain-Related codes	Responsible Business Alliance Code of Conduct
GRI 102-16	Enterprise-Wide Environmental Policy	Adobe Sustainability Policy
Sustainability—Suppliers		
GRI 102-13	Green Grid Member	Adobe Supply Chain
GRI 102-16	Supply chain implementation standards	Adobe Supply Chain
GRI 102-16	Scope of social supplier Standards	Adobe Supply Chain
GRI 102-16	Supply chain monitoring practices	Adobe Supply Chain
GRI 102-16	Global Human Rights Policy	Global Human Rights Policy
GRI 103-2	Tool to report human rights violations	Adobe Integrity
GRI 412-3	Human rights criteria in selection of suppliers	Adobe Supply Chain



Adobe Sustainable Development Goals

Developed in 2015, the United Nations Sustainable Development Goals (SDGs) are centered around promoting sustainable, equitable, and universal growth. The 17 goals are meant to guide the actions of all key players, including governments, civil society, and businesses. To do our part, Adobe has prioritized five goals, which best align with the company's core business and expertise. Through continued and new initiatives, Adobe will help reach the targets set out by the SDGs. To learn more about our goals and how our programs and actions contribute to the goals, please see [Adobe Alignment to the SDGs](#).



Quality Education

Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.

ADOBE ACTIONS:

- [Adobe Youth Creativity](#)
- [Adobe Digital Academy](#)
- [Youth Coding Initiative](#)
- [Creative Scholarship Program](#)
- [Matching Grants](#)

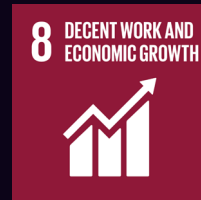


Gender Equality

Achieve gender equality and empower all women and girls.

ADOBE ACTIONS:

- [Adobe Diversity & Inclusion: Adobe for All](#)
- [Youth Coding Initiative \(Girls Who Code, Technovation\)](#)



Decent Work and Economic Growth

Promote inclusive and sustainable economic growth, employment and decent work for all.

ADOBE ACTIONS:

- [Adobe Digital Academy](#)
- [Creative Scholarship Program](#)
- [Pro Bono Initiative](#)
- [Adobe Diversity & Inclusion: Adobe for All](#)
- [Adobe Benefits](#)



Responsible Consumption and Production

Ensure sustainable consumption and production patterns.

ADOBE ACTIONS:

- [Adobe Sustainability Policy](#)
- [Product Sustainability](#)
- [Data Center Management](#)
- [Waste Reduction](#)
- [Supply Chain Management](#)



Climate Action

Take urgent action to combat climate change and its impact.

ADOBE ACTIONS:

- [Renewable Energy Strategy](#)
- [LEED Building Spaces](#)
- [Sustainability Teams](#)
- [CDP Reporting](#)

Vasjen Katro / Baugasm is a visual designer based in Tirana, Albania. He was commissioned to participate in the Remix project, an invitation sent to a broad mix of creatives to reinterpret the Adobe logo. The cover image is one of several concepts Vasjen created.

See all of his work on [Behance](#).



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